

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: UTU 19037	6. SURFACE: Federal
B. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
2. NAME OF OPERATOR: Running Foxes Petroleum, Inc.		8. UNIT or CA AGREEMENT NAME:	
3. ADDRESS OF OPERATOR: 7060 B S. Tucson Way CITY Centennial STATE CO ZIP 80112		PHONE NUMBER: (720) 889-0510	9. WELL NAME and NUMBER: Cisco 3-15-3
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 600' fsl & 2290' fel SW SE 642003X 39.09 0040 AT PROPOSED PRODUCING ZONE: Same as above 4327843Y -109.358094		10. FIELD AND POOL, OR WILDCAT: Greater Cisco	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 10.5 miles to the North of the town of Cisco, Utah		12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 600'	16. NUMBER OF ACRES IN LEASE: 489.32 Acre	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 10 Acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 559 ft.	19. PROPOSED DEPTH: 2,778	20. BOND DESCRIPTION: UTB 000207	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4898 ft. GL	22. APPROXIMATE DATE WORK WILL START: 12/3/2008	23. ESTIMATED DURATION: 21 days	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
	See Attached A thru G		

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Kent Keppel

TITLE Landman

SIGNATURE

DATE

11-3-2008

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

API NUMBER ASSIGNED:

43019-31611

Date:

(See Instructions on Reverse Side)

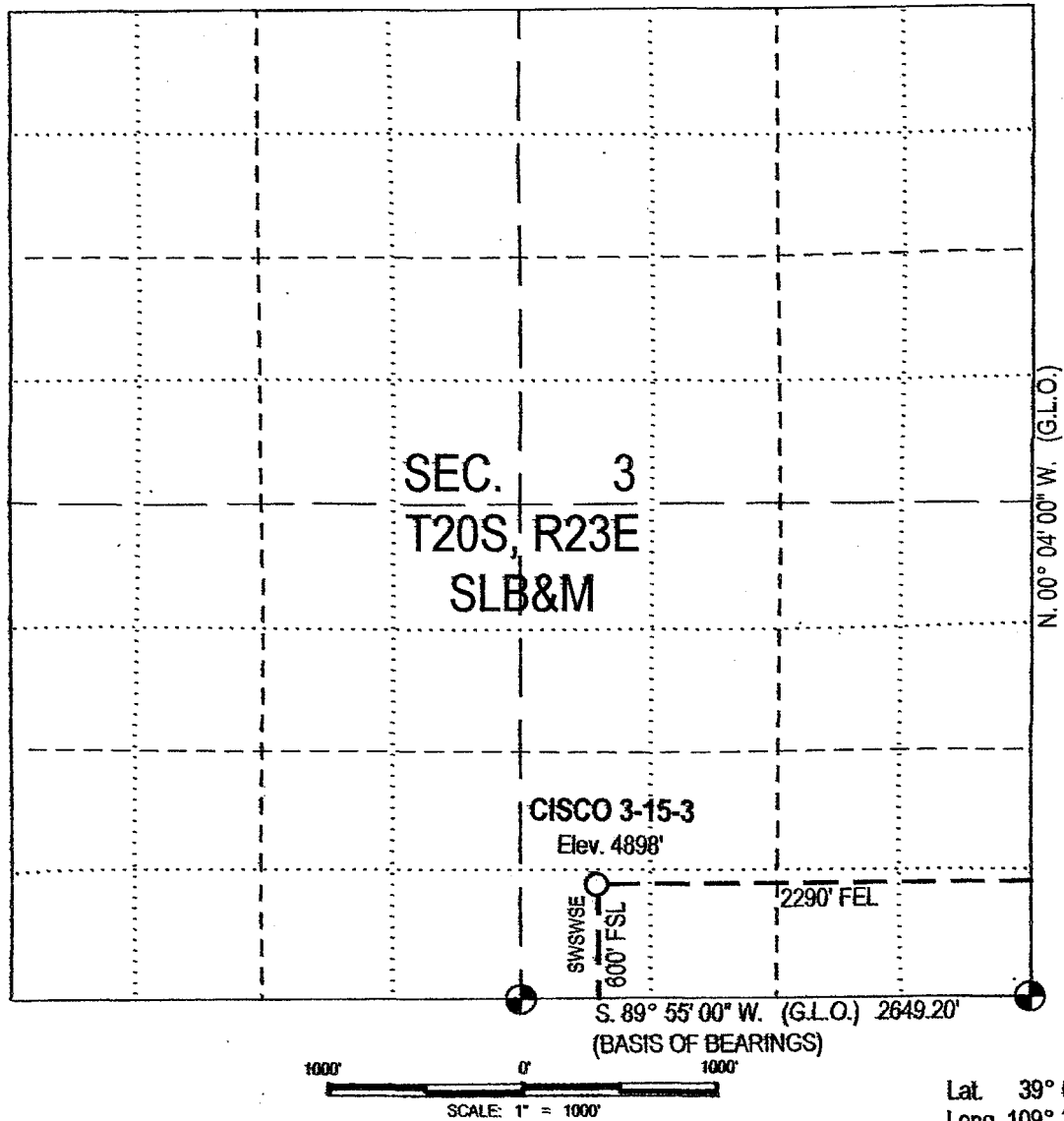
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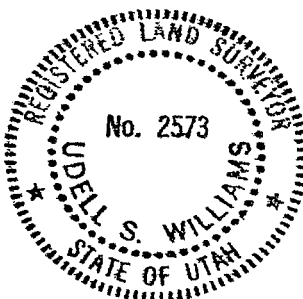
DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is Necessary

**CISCO 3-15-3**

Located 600 feet FSL and 2290 feet FEL of Section 3, T20S, R23E, SLB&M, Grand County, Utah.

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, Colorado 80112

**SURVEYOR'S CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
Utah PLS No. 2573

**UDELL S. WILLIAMS**

Professional Land Surveyor
449 E. Scenic Dr. (970) 254-0157
Grand Junction, Colorado 81507-1569
Surveying Western Colorado & Eastern Utah Since 1953

PLAT OF
PROPOSED LOCATION
CISCO 3-15-3.
SWSWSE SECTION 3
T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 6-19-2008
DRAWN BY: USW DATE: 6-26-2008

APPLICATION FOR PERMIT TO DRILL
Inspection Checklist

November, 2008

Company Running Foxes Petroleum, Inc. Well No. Cisco 3-15-3

Location: Sec. 3, T. 20S, R. 23E, Lease No. UTU-19037

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100 & 43 CFR § 3160), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: Mancos Shale surface, Dakota Formation marker 1828', Cedar Mountain Formation 1928', Brushy Basin Member of Morrison Formation 2054', Salt Wash Member of Morrison Formation 2324', Entrada Formation 2678'.
2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered:

Depth/Formation

Expected Oil Zones: 1828'/Dakota, 2054'/Brushy Basin, 2678'/Entrada

Expected Gas Zones: 1828'/Dakota, 1928'/Cedar Mtn, 2324'/Salt Wash

Expected Water Zones: Layers in any pre-Mancos formation can be saline aquifers

Expected Mineral Zones: 2678'/Dakota (possible water)

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to The Division of Oil, Gas and Mining. All oil and gas shows will be tested to determine commercial potential. See Attachment A.

3. Pressure Control Equipment -include schematics of the BOP and choke manifold, and describe testing procedures: Double ram (pipe and blind) BOP with minimum working pressure rating of 1500 psi equipped with accumulator for remote operation and rotating head/diverter with minimum working pressure rating of 500 psi. BOP will be tested for ten minutes holding 1000 psi prior to drilling through surface casing shoe. See schematic diagram of typical equipment depicted by APD Attachment B

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2 as allowed under the Greater Cisco Area variance dated May 14, 2003. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log.

4. Casing Program and Auxiliary Equipment -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): 130' new 8 5/8" J-55 ST&C 24 ppf (or better) surface casing. 2778' new 4.5" J-55 LT&C 10.5 ppf (or better) long string casing.
5. Cement -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: Surface casing will be cemented to surface with an estimated 73.5 sacks (including 25% excess) of 15.6 ppg Class A slurry that yields 1.18 cubic feet per sack. The long string will be cemented from TD to Surface with 250 sacks (including 25% excess) of 15.6 ppg Class A slurry yielding 1.18 cubic feet per sack. Cello-flake will be added to control fluid loss.

Surface casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom two joints of each casing string.

6. Mud Program and Circulating Medium -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Circulating medium will be compressed air with 4-6% KCl water solution injected into the air stream to form mist to stabilize the hole and control dust. Foaming agents will be used as needed to maintain circulation. Excessive fluid flows will be controlled by mixing KCl/gel/polymer mud as needed and the materials will be held on standby in Grand Junction, Colorado for such purposes. 100 bbls of water will be on the location for use as kill fluid. The blooie line will be constructed of 4" minimum diameter pipe that is at minimum 100' in length. The igniter will be a diesel fuel smudge pot.

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

7. Coring, Logging and Testing Program: No coring tests are planned, but open hole logging is planned. .

Initial opening of drill stem test tools will be restricted to daylight hours.

8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards -include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal temperature conditions or occurrences of hydrogen sulfide are known to exist in the Greater Cisco Field. Zones of lost circulation are not expected, and are unlikely to be recognized with the circulation system being used. The pressure gradient is normal to subnormal. Formation pressure through the depths and formations to be penetrated at this location will be no greater than 750 psi.

9. Any Other Aspects of this Proposal that should be Addressed: None.

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location is depicted by APD Attachment C.
- b. Location of well is 5.5 miles (+/-) Northwest of Exit 214, see Attachment A & C.
- c. The Grand County Road Department will be made aware of the use of county roads required by this proposal.
- d. Plans for improvement and/or maintenance of existing roads: Will water roads if conditions warrant for control of fugitive dust or clear mud during wet conditions.

2. Planned Access Roads:

- a. Location (centerline): Well pad lies 559 ft. to the East of the Fed 2-037 well site.
- b. Length of new access to be constructed: 300 ft. (+/-) from the gravel road running into Section 3 from the South side.
- c. No improvements needed on the county roads and Running Foxes Petroleum will maintain lease roads on an as-needed basis.
- d. Maximum total disturbed width: New roads to be constructed approximately 16 ft. wide for drilling. For production, the roads will be constructed, upgraded, and maintained with a width of 25 ft. or less.
- e. Maximum travel surface width: 14 to 18 feet.
- f. Maximum grades: Less than 6%
- g. Turnouts: Road intersections and well pads would be utilized for turnouts.
- h. Surface materials: Native soils. If the roads will be used by tanker trucks during wet, winter conditions, the road will be surfaced with rock materials.
- i. Drainage (crowning, ditching, culverts, etc): No drainage control will be provided during drilling. During production, water turnouts and/or roadside ditches will be utilized for drainage and erosion control.
- j. Cattleguards: None.
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a right-of-way is required: N/A.
- l. Other: In order to protect water shed values and minimize erosion Running Foxes Petroleum will commit to the following provisions during drilling operations and well pad construction during winter drilling months. When roads are to be

constructed during winter drilling months Running Foxes Petroleum will construct access roads to the well pad comprised of 2" to 3" deep road base by a width of 14'. The road base used will be that acquired from the BLM borrow pit in S29 T20S R24E. This road will then be maintained year round by Running Foxes Petroleum.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by BLM in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned.

3. Location of Existing Wells -on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: APD Attachment C depicts the locations of wells near the location. Within a one mile radius there are 0 producing oil and/or gas wells. There are no water, injection or disposal wells operating in that area and there are no drilling wells.
4. Location of Production Facilities:
 - a. On-site facilities: If production of oil and gas is established, the on-site facilities will include wellhead, 3-phase separator, production storage tank, water evaporation pit and gas meter with enclosure. See APD Attachment E for the layout of the on-site facilities.
 - b. Off-site facilities: None.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Shades that match native soils in the area.

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated

quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Commercial sources such as Ute Water in Mack, Colorado or the Thompson Special Service District in Thompson, Utah.

A temporary water use permit for this operation could be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303 but will not be necessary.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from 2.I. listed above. (on site native soils)

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The blooie and reserve pits will be constructed in Mancos Shale, a bentonite-rich aquitard.

The blooie pit will be located at least 100' from the wellhead, and the pit walls will be sloped at no greater than 1 to 1.

The blooie pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: Portable toilet.

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on the plat. See APD Attachment F.

All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

Access to the well pad will be from the Southwest as depicted by APD Attachments F.

The blooie line will be located at a 30 degree angle to the drilling rig, arranged in a straight path with its outlet at least 100 feet from the well head where a diesel smudge pot will serve as an automatic igniter. See APD Attachment F.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, water will be injected into the compressed air stream used for the well circulation system and the blooie line effluent will be directed toward a high earth bank at the opposite end of the pit.

10. Plans for Restoration of the Surface:

The top two inches of topsoil material will be removed from the location and stockpiled separately on the margins of the location. See APD Attachment F.

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between October 1 and December 15, or at a time specified. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: Indian Ricegrass 4 pounds per acre, Fourwing Saltbush 2 pounds per acre and Shadscale 2 pounds per acre.

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: N/A.

11. Surface and Mineral Ownership: The surface and minerals are Federally owned.

12. Other Information:

- a. Archeological Concerns: Inventory will not be made of any resources in the disturbed area of the well site and upgraded road.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Trust Lands Administration. Within five (5) working days, the BLM will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

- a time frame for the Trust Lands Administration to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Trust Lands Administration will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

13. Lessee's or Operator's Representative and Certification

Representative:

Name: Kent Keppel

Title: Landman

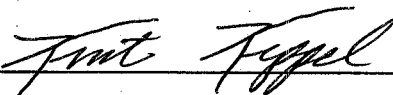
Address: 7060-B S. Tucson Way
Centennial, Co. 80112

Phone No.: (720) 889-0510

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Running Foxes Petroleum, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM bond no. YTB-000207. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature



Landman

Title

11-3-2008

Date

Running Foxes Petroleum, Inc.
7060B S. Tucson Way
Centennial, Colorado 80112
Landman: Kent Keppel (720) 889-0510
Geologist: Neil D. Sharp (720) 889-0510

Cisco 3-15-3 Drilling Plan

600' fsl & 2290' fel; (SW SW SE); Sec. 3 Twp. 20S Rge. 23E SLM; Grand County, Utah

Location access (Refer to Attachment C & F): From Exit 214 I-70 (wb), proceed north on Book Cliffs Road (paved) for 200 ft. (+/-) and take the first left. Continue down this graveled road toward the NW for 4.25 miles. After 4.25 miles you will encounter another graveled road on your right hand side. Turn onto this road and follow toward the North. You will encounter the Cullen Government 1 well just after turning onto this graveled road. Follow this graveled road for 1.5 miles (+/-) until you encounter a flagged marker on your right hand side indicating the access route (adjacent to the Federal 2-037 well). Turn onto this flagged road and follow toward the NE into the proposed well pad.

Exit 214 is 49 miles northeast of Moab, UT via US 191, UT 128 and county road through Cisco, UT, 64 miles from Moab via US 191 and I-70, 47 miles west of Grand Junction, CO via I-70 and 153 miles from Vernal, UT via US 40 through Rangely, CO on CO 64, over Douglas Pass on CO 139 to Loma, CO and I-70.

Projected Tops:	Mancos Shale	Surface	(Elevation GL 4898')
	Dakota Fm marker	1828'	Oil & natural gas (possible water)
	Cedar Mountain Fm	1928'	Natural Gas (possible water)
	Morrison Fm		
	Brushy Basin Mbr	2054'	Oil and Natural Gas
	Salt Wash Mbr	2324'	Natural Gas
	Entrada Fm	2678'	Oil and Natural Gas
	TD	2778'	

Construction program:

- ☼ Air, mist and/or foam circulation using 5-7% KCL/gel/polymer water injection below Dakota
- ☼ Minimum 1500 psi rated BOP with 500 psi rated diverter and 100' min. 4" blooie line to pit
- ☼ 12 1/4" hole to 130' below GL elevation to set 8 5/8" (24#, J55 or better) surface casing with Class G cement circulated back to surface. Estimate 73.5 sacks (3.5 cubic yards) with slurry yield of 1.18 cubic feet per sack including 25% excess.
- ☼ 6 3/4" hole to 2778' below KB to set 4.5" (10.5#, J55 or better) long string and cement with Type III slurry from TD to surface. Estimate 250 sacks (5.3 cubic yards) with slurry yield of 1.18 cubic feet per sack including 25% excess.
- ☼ Run 2 3/8" tubing for completion testing

Once the well has been spud, drilling operations will continue until the well is brought to TD with production casing ran and cemented in or if the well is to be plugged and abandoned.

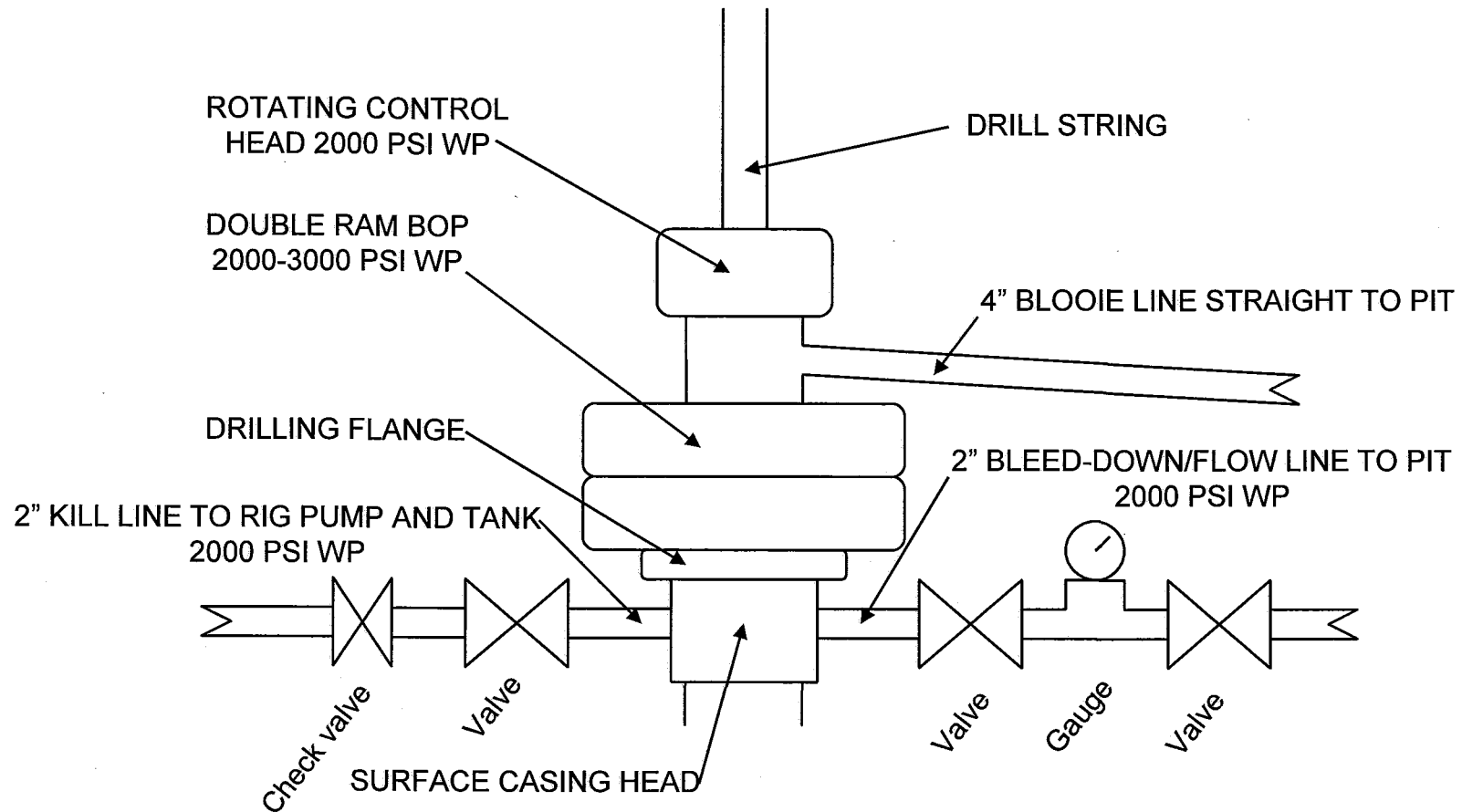
A casing decision will be made based upon drilled shows & open-hole logs that will be run.

Well will be killed with 4-7% KCL water or KCL/gel/polymer mud to run long string.

Pressure control system for Greater Cisco Field Operations

In compliance with Greater Cisco Area variance from Onshore O&G Order No. 2 dated May 14, 2003

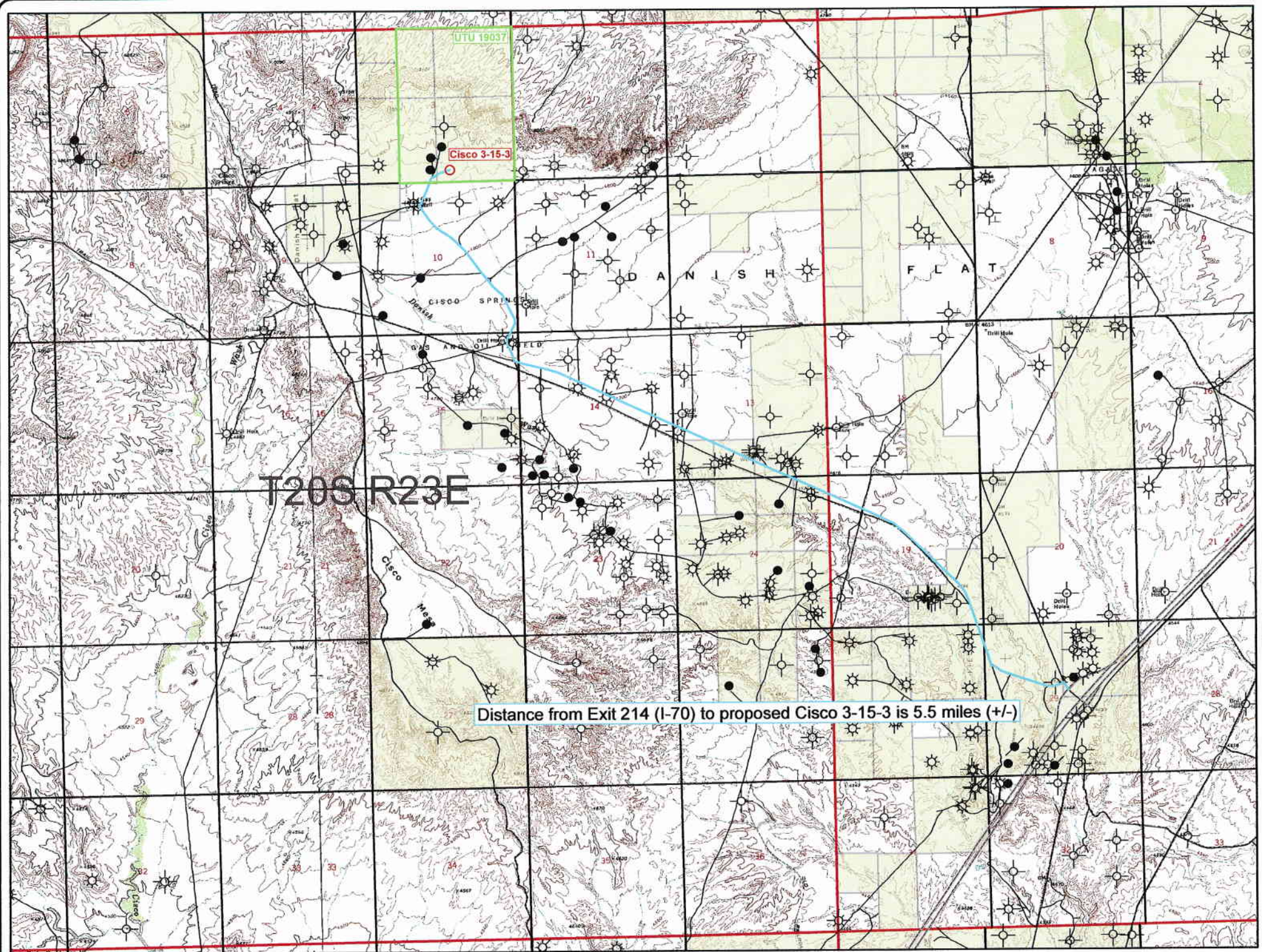
*Not drawn to scale



**Running Foxes Petroleum
Cisco Springs Project
Grand County, Utah
Attachment C**



**Cisco 3-15-3
S3 T20S R23E
600' fsl & 2290' fel
Elevation: 4898' GL**



Cisco 3-15-3
Lease Boundary
County Roads

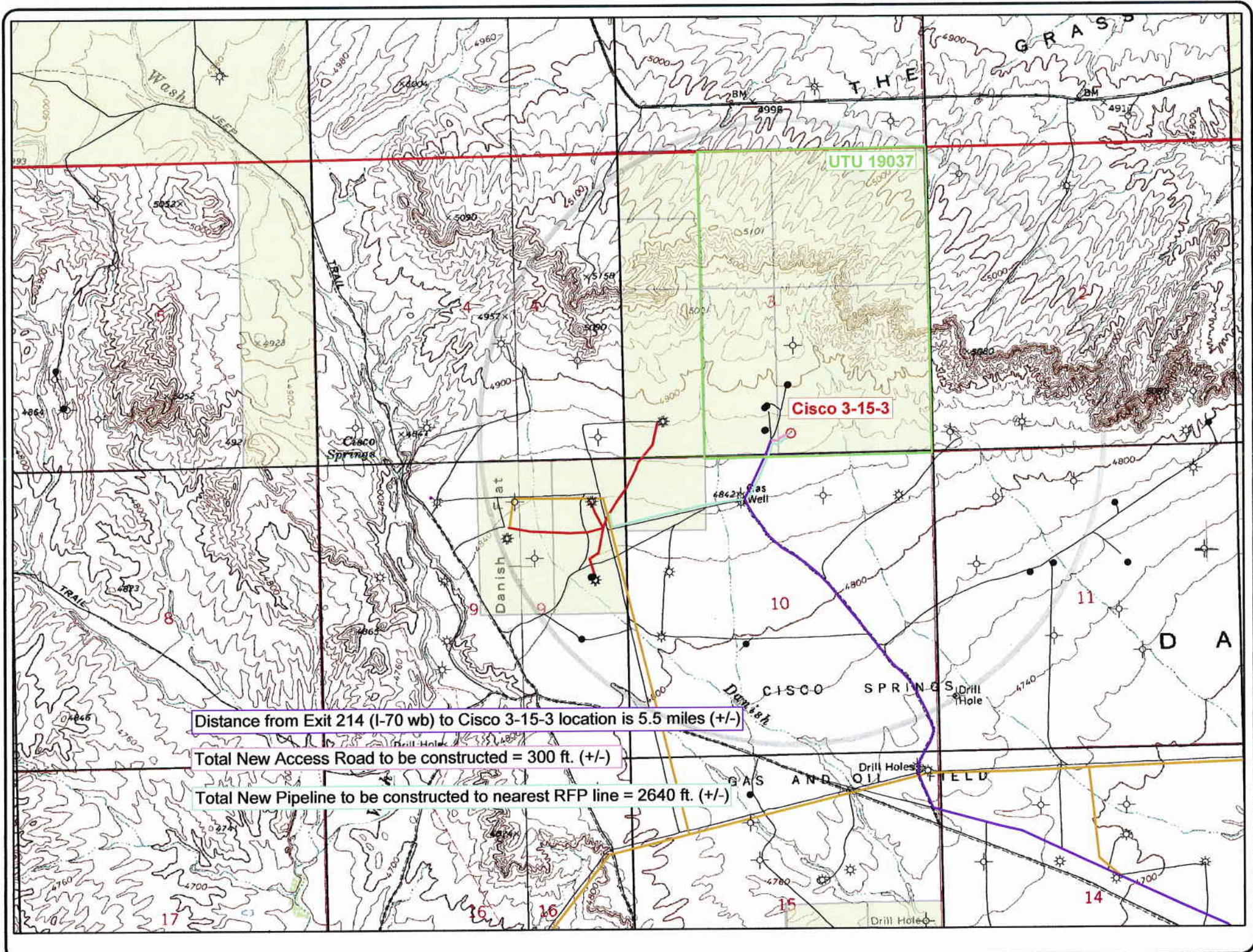
Running Foxes Leases
Route to Proposed Well

● Oil Well Symbol
⊗ Gas Well Symbol
⊕ Dry Hole Symbol
● Abandoned Well Symbol
⬢ P & A Well Symbol
⬤ Shut In Well Symbol

**Running Foxes Petroleum
Cisco Springs Project
Grand County, Utah
Attachment D**

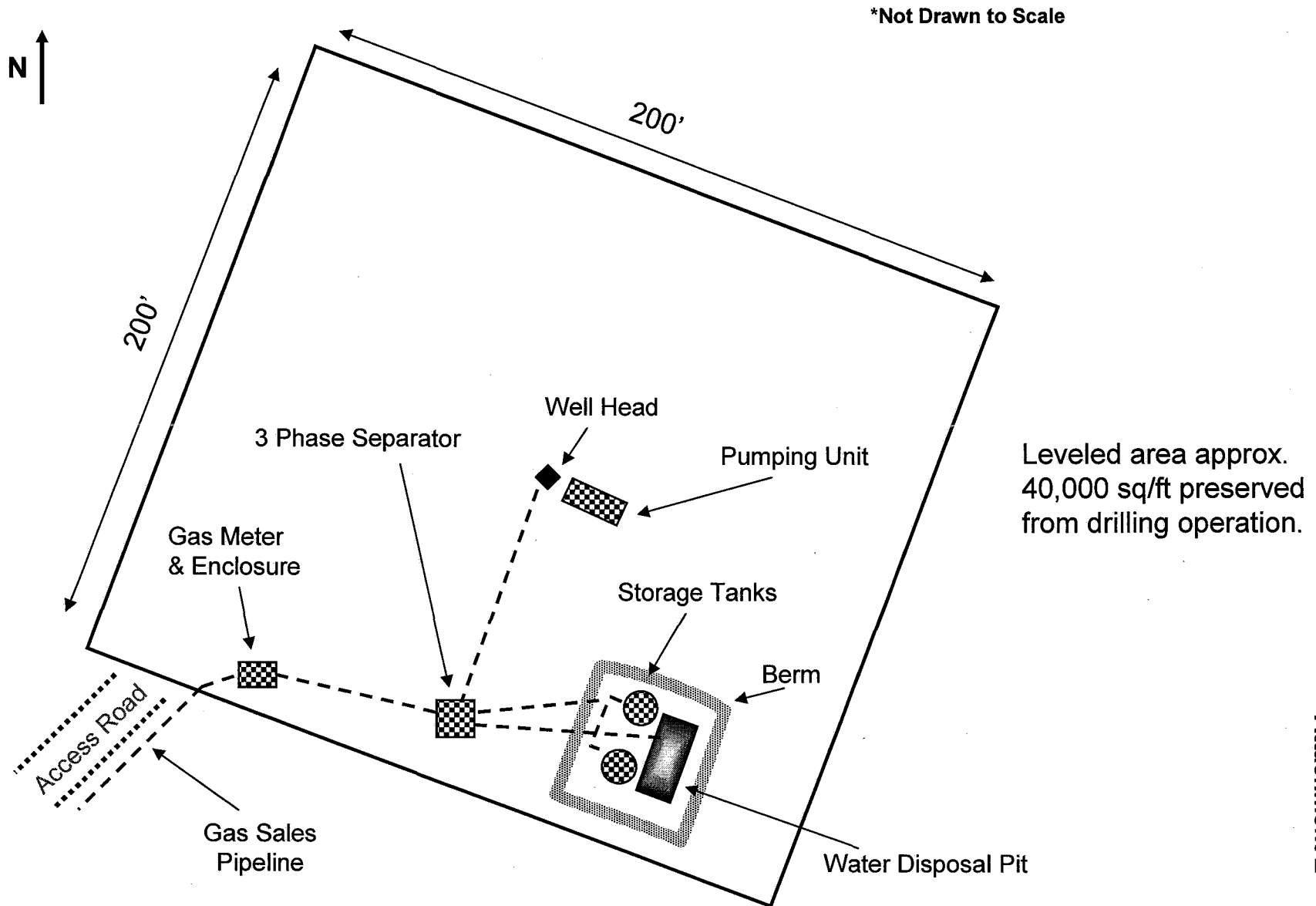


**Cisco 3-15-3
S3 T20S R23E
600' fsl & 2290' fel
Elevation: 4898' GL**



Proposed Well Location:	Route to Cisco 3-15-3	New Access Road to be Constructed
RFP Pipeline	County Roads	New Pipeline to be Constructed
Running Foxes Petroleum Leases		

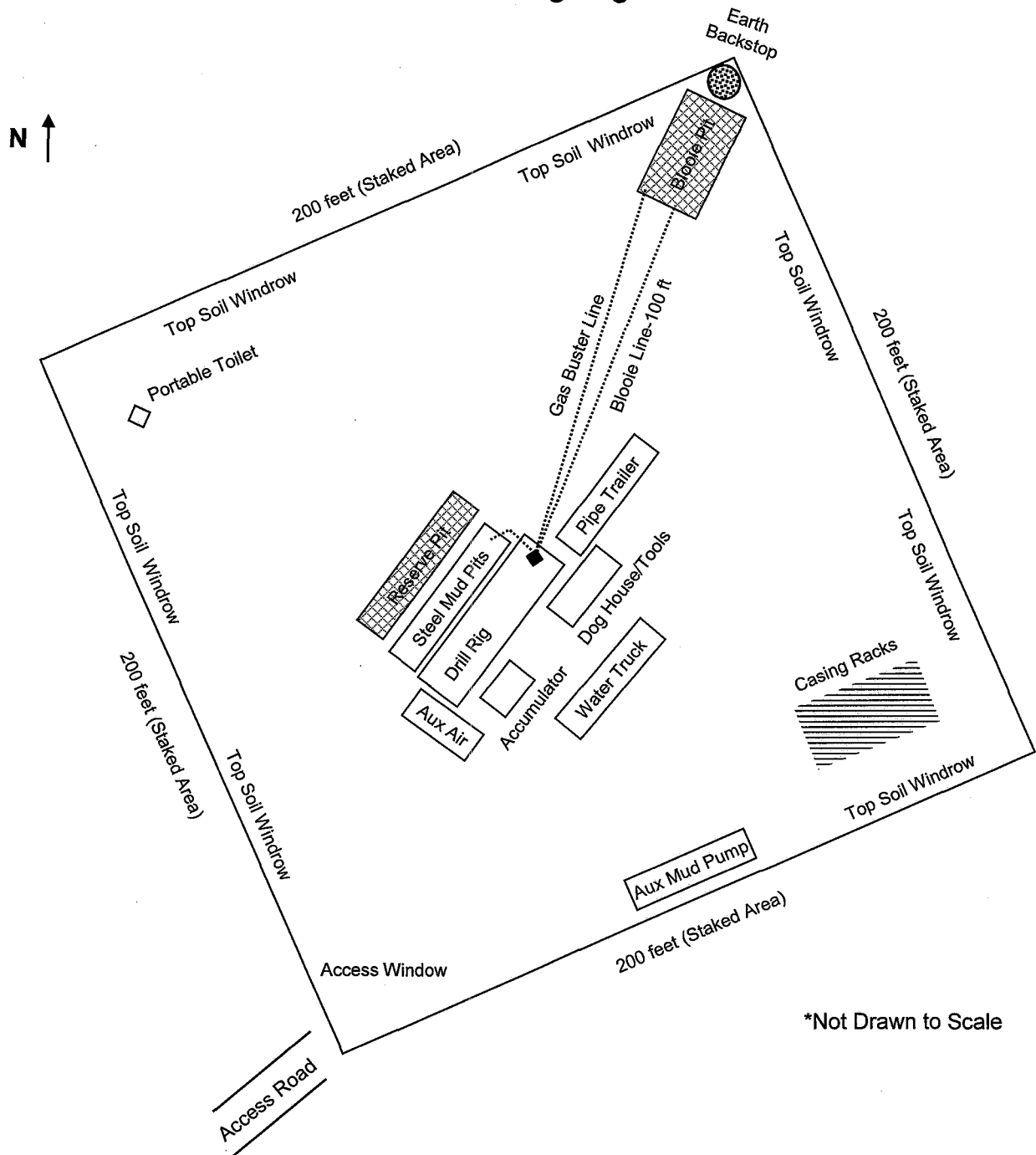
Equipment Layout for Three Phase Production



Cisco 3-15-3 Attachment F

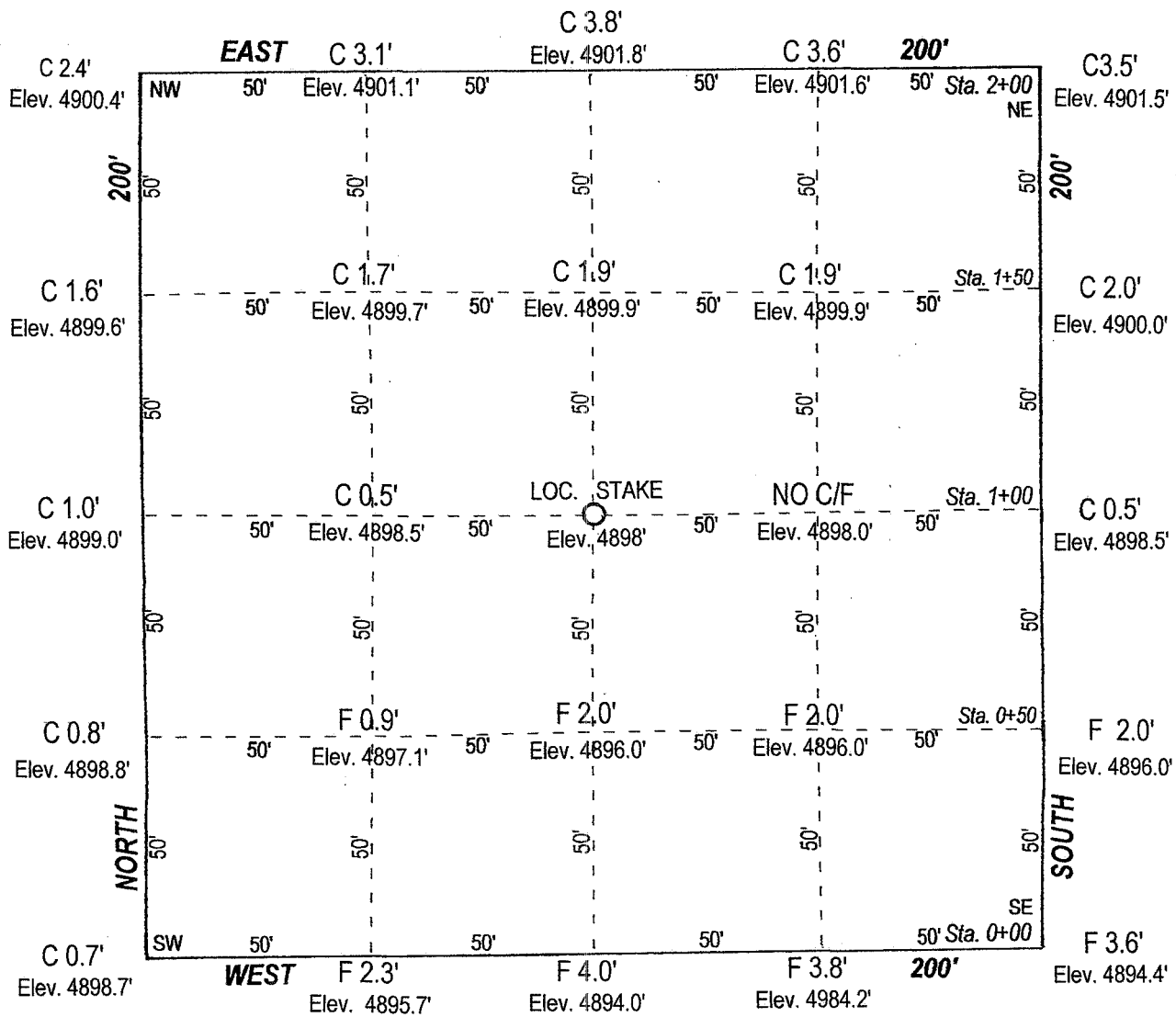
Drilling Operation Pad & Equipment Layout

Mobile Drilling Rig



◆ Well Head Gross possible disturbed area 40,000 sq. ft.

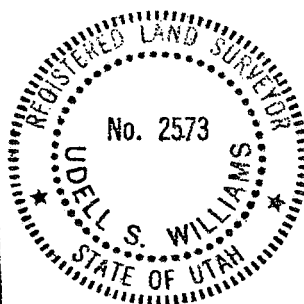
Access roads typically 16 feet to 18 feet wide with maximum disturbed width 25 feet



FINISHED GRADE ELEV. AT LOC. STAKE = 4898'

CISCO 3-15-3

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, Colorado 80112



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
Utah PLS No. 2573



UDELL S. WILLIAMS
Professional Land Surveyor
449 E. Scenic Dr. (970) 254-0157
Grand Junction, Colorado 81507-1569
Surveying Western Colorado & Eastern Utah Since 1953

TYPICAL CROSS-SECTIONS FOR
CISCO 3-15-3
SEC. 3, T20S, R23E, SLB&M
600FSL 2290 FEL

SURVEYED BY: USW **DATE:** 6-19-2008
DRAWN BY: USW **DATE:** 6-28-2008

Don 435-820-0238 Water
 High Desert Excavation

Attn: Greg Simmons

NOTICE OF ASSESSMENT OF GREEN RIVER CANAL CO., - GREEN RIVER, UTAH

Notice is hereby given that at a meeting of the board of directors held on October 09, 2005, an assessment of \$12.00 per share was levied on the capital and/or secondary stock of the corporation payable at the office of the undersigned Secretary at Green River, Utah on or before:

NOVEMBER 30, 2005

At said meeting, pursuant to Article XV, of the Articles of Incorporation of the Company, there was levied a minimum service charge of \$50.00 against each stockholder for the year 2005.

Any stock upon which assessment and/or service charge may remain unpaid on **NOVEMBER 30, 2005**, will be delinquent and advertised for sale at public auction and unless payment is made before will be sold on **December 31, 2005** to pay said delinquencies together with the cost of advertising and expense of sale.

J. A. Scott
 Secretary
 Green River, Utah

Total Shares	1
Stock Assessment	\$ 12.00
Service Charge	\$ 50.00
TOTAL DUE	\$ 62.00

Board of Directors Green River Canal Company:

Glenn Baxter
 Dean King

Von Bowerman
 Tim Vetre

Edward Hansen

DUE NO LATER THAN NOV 30

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/04/2008

API NO. ASSIGNED: 43-019-31611

WELL NAME: CISCO 3-15-3

OPERATOR: RUNNING FOXES (N2195)

PHONE NUMBER: 720-889-0510

CONTACT: KENT KEPPEL

PROPOSED LOCATION:

SWSE 03 200S 230E

SURFACE: 0600 FSL 2290 FEL

BOTTOM: 0600 FSL 2290 FEL

COUNTY: GRAND

LATITUDE: 39.09004 LONGITUDE: -109.3581

UTM SURF EASTINGS: 642003 NORTHINGS: 4327843

FIELD NAME: GREATER CISCO (205)

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 19037

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: ENRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB 000207)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. UTE)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit: _____

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 102-16 (B)

Eff Date: 11-15-1979

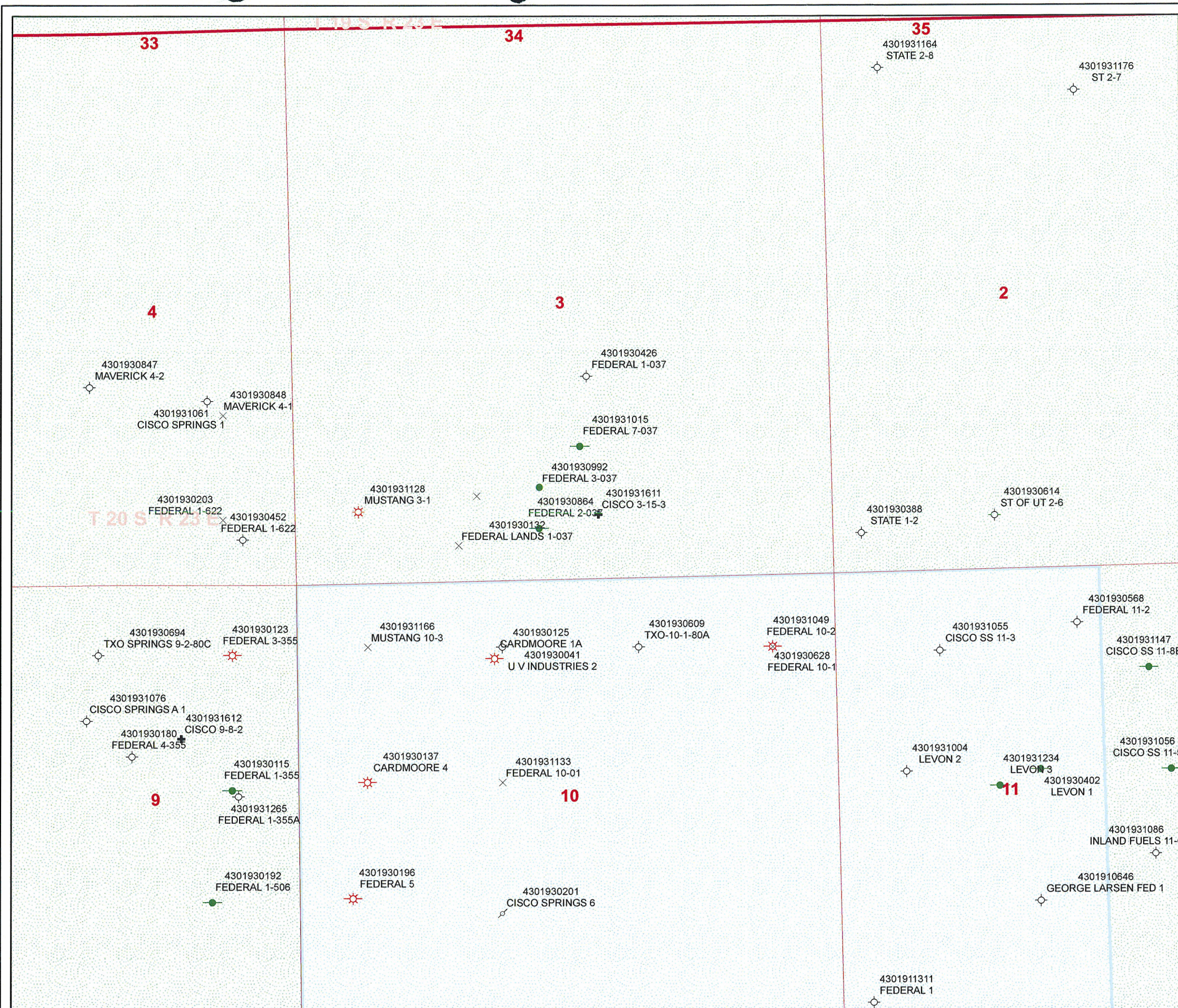
Siting: 500' fr property line & 200' fr 1/4 1/4 cor:
400' fr BW & 1800' fr GW

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

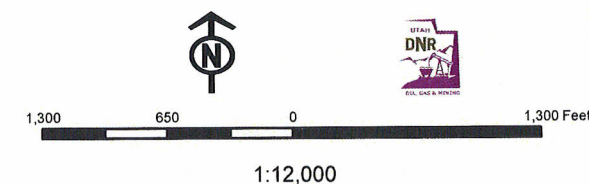
Handwritten signature



API Number: 4301931611
Well Name: CISCO 3-15-3
Township 20.0 S Range 23.0 E Section 03
Meridian: SLBM
Operator: RUNNING FOXES PETROLEUM, INC.

Map Prepared:
Map Produced by Diana Mason

Units	Wells Query Events
STATUS	<all other values>
ACTIVE	GIS_STAT_TYPE
EXPLORATORY	<Null>
GAS STORAGE	APD
NF PP OIL	DRL
NF SECONDARY	GI
PI OIL	GS
PP GAS	LA
PP GEOTHERML	NEW
PP OIL	PA
SECONDARY	PGW
TERMINATED	POW
Fields	RET
STATUS	SGW
ACTIVE	SOW
COMBINED	TA
Sections	TW
Township	WD
	WI
	WS





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 5, 2008

Running Foxes Petroleum, Inc.
7060 B S. Tucson Way
Centennial, CO 80112

Re: Cisco 3-15-3 Well, 600' FSL, 2290' FEL, SW SE, Sec. 3, T. 20 South, R. 23 East,
Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31611.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab Office



Operator: Running Foxes Petroleum, Inc.

Well Name & Number Cisco 3-15-3

API Number: 43-019-31611

Lease: UTU 19037

Location: SW SE Sec. 3 T. 20 South R. 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 19037
2. NAME OF OPERATOR: Running Foxes Petroleum		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 7060 B South Tucson Way CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (720) 889-0510		8. WELL NAME and NUMBER: Cisco 3-15-3
4. LOCATION OF WELL FOOTAGES AT SURFACE: 600' fsl & 2290' fel		9. API NUMBER: 4301931611
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 3 20S 23E		10. FIELD AND POOL, OR WILDCAT: Greater Cisco
COUNTY: Grand		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Permit Renewal
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Running Foxes Petroleum requests the renewal of its original permit to drill for the aforementioned well in Grand County, Utah. A year extension from the renewal date is desired. If there are any questions or inquiries, please contact Running Foxes Petroleum via the information provided.

attached: Permit Extension Validation Form

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 12.3.2009

Initials: KS

Date: 11-30-09
By: [Signature]

NAME (PLEASE PRINT) Neil D. Sharp	TITLE Geologist
SIGNATURE [Signature]	DATE 11/25/2009

(This space for State use only)

RECEIVED

NOV 30 2009

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-019-31611
Well Name: Cisco 3-15-3
Location: 600' fsl & 2290' fel; SW SE; S3 T20S R23E
Company Permit Issued to: Running Foxes Petroleum
Date Original Permit Issued: 11/5/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

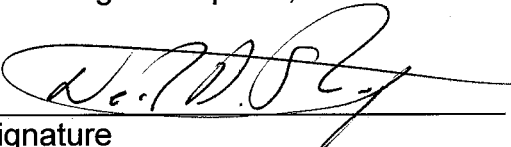
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

11/25/2009

Date

Title: Geologist

Representing: Running Foxes Petroleum

RECEIVED

NOV 30 2009

DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 19, 2011

Running Foxes Petroleum
7060 B South Tucson Way
Centennial, CO 80112

Re: APD Rescinded – Cisco 3-15-3, Sec. 3, T.20S, R.23E
Grand County, Utah API No. 43-019-31611

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 5, 2008. On November 30, 2009 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 19, 2011.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Moab